

**Technical Support for Procurement and Project Management
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Authority**

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**Aqaba Water Company
Personnel Policies and Procedures
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AQABA WATER COMPANY
Personnel Policies and Procedures

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DEFINITIONS

The terms referred to in these Procedures are hereby defined below.

Employees. Employees are workers of the Company as further defined in the Company's Staffing and Pay Plan and reproduced below:

1. Professional—All workers with position descriptions in Grades A1, A2, and A3
2. Skilled—All workers with position descriptions in Grades B and C
3. Semi-skilled—All workers with position descriptions in Grade D
4. Unskilled—All workers with position descriptions in Grade E

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ARTICLE 1 GENERAL PROVISIONS

Sec.1.1 Purpose

The purpose of these Procedures is to provide the members of the Board and the Company Staff with a statement that contains the procedures by which the work of the Company is carried on.

Sec. 1.2 Adoption

The Board of Directors has adopted these Procedures on the date indicated above as the Latest Revision Date. All previous versions are repealed and are null and void.

Sec. 1.3 Amendments

It is anticipated that amendments to these Procedures will be required from time to time.

Such amendments shall be accomplished only by the Board of Directors at a duly constituted meeting, through the adoption of an Ordinance in accordance with Board procedure. In the event of a change or an addition to these Procedures, the new Procedure shall be inserted into these overall procedures, and those for which they are substituted shall be removed.

Amendments shall be effective from the date of adoption by the Board.

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ARTICLE 2 WORKING HOURS

Sec. 2.1 Hours of Work- Office

The regular office hours shall be from 8:00 A.M. to 5:00 P.M. The office shall remain open during the lunch period and during the rest periods.

Employees may have their work schedule, lunch period schedule, and rest periods begin or end at different times upon approval of the General Manager or his/her designee, but the time of individual employees shall be limited to a 40-hour week whenever possible.

Sec. 2.2 Hours of Work- Operations

The regular work hours for the Operations Department personnel shall be from 7:00 A.M. to 3:30 P.M.

Employees may have their work schedule, lunch period schedule and rest periods begin or end at different times upon approval of the General Manager or his/her designee, but the time of individual employees shall be limited to a 42.5-hour work week whenever possible.

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Article 3. WORKWEEK, PAYROLL PERIOD AND PAYDAY

Sec. 3.1 Workweek—Professional

The normal workweek shall consist of forty (40) hours from Sunday to Thursday. From time to time additional work hours may be required. No overtime or other compensation is provided.

Sec. 3.2 Workweek—Office Skilled & Semi-Skilled

The normal workweek shall consist of forty (40) hours from Sunday to Thursday. From time to time additional work hours may be required. These additional hours are compensated as provided for in Sec. 4.3 below, as may be amended from time to time.

Sec. 3.3 Workweek—Operations Skilled, Semi-Skilled & Unskilled

The normal workweek shall consist of forty (40) hours in any 5-day period, as approved by the General Manager. From time to time additional work hours may be required. These additional hours are compensated as provided for in Sec. 4.3 below, as may be amended from time to time.

Sec. 3.4 Payroll Period

The payroll period shall be monthly.

Sec. 3.5 Payday

Payday shall be the first business day following the end of the previous month. In the case of religious holidays, payday may be adjusted at the discretion of the General Manager.

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ARTICLE 4 OVERTIME AND ON-CALL **TIME**

Sec. 4.1 On-Call Time

Certain employees will be required from time-to-time to be on-call. Those employees designated for on-call time, but not called back, shall be compensated at 5% of their hourly rate for every hour on-call.

Sec. 4.2 Call Back Time

Call back is work required of an employee who, following completion of the employee's work site, is ordered to report back to duty to perform work determined necessary by the General Manager or designee.

To qualify for this call back provision, the employee must leave the place from which the employee is called and actually report to a work site.

An employee, who is called back as defined above, shall receive a minimum of two hours time, at the rate of time and one-half (150%) of an employee's pay.

Overtime work in conjunction with a regular, scheduled workday, either beginning earlier or working past a normal, scheduled workday, is not call back work, and is compensated on an hourly basis as described in Sec. 4.3 below.

Sec. 4.3 Overtime

All employees of the Company during the course of their employment and, upon instructions of the General Manager, shall work during any emergency affecting operations of the Company. All employees are expected to comply with all decisions of the General Manager or his/her designee on working hours under such conditions.

Overtime shall be defined as work performed by certain designated classes of Professional staff (A2 and A3), and all non-Professional staff (Skilled, Semi-skilled, and Unskilled as previously defined) before or after the regularly scheduled workday or workweek as previously defined.

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Professional staff members in Grade A1 do not receive overtime pay.

All overtime work in addition to the prescribed workweek shall be paid at the rate of time and one-quarter of an employee's hourly pay (125%) for every overtime hour.

However, when an employee must work on the sixth day of a work week or specified religious or official holidays, such hours shall be paid at the rate of time and one-half of an employee's hourly pay (150%) for every overtime hour in addition to any other pay.

Sec. 4.4 Reimbursement For Meals

An employee, who is scheduled to work overtime, including emergency call back overtime in excess of a normal work day, shall be reimbursed for the actual cost of his/her meal, with a maximum amount of two (2) Jordanian Dinars per meal, provided such extended work day exceeds two hours of overtime on any single shift.

Such overtime may be performed before or at the end of a workday and need not to be limited to one meal per day. When work schedules prohibit a meal break, the Supervisor will issue meal tickets that may be redeemed from the Company's petty cash fund at a later date.

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ARTICLE 5. SICK LEAVE

Sec. 5.1 Definition

Employees shall be entitled to sick leave with pay as from the date of his employment. Sick leave is defined as the necessary absence from work of an employee because of illness, injury or exposure to contagious disease suffered by the employee, or the serious disability of the employee or absence authorized for medical or dental care. Sick leave excludes absences on Fridays and Saturdays (or other approved non-work days if the employee worked on Friday and/or Saturday), and designated holidays that falls within the period of sick leave.

In computing the amount of sick leave time due to an employee, holidays, vacation time, and prior sick leave shall be included as total service.

Sec. 5.2 Sick Leave Entitlement

Workers are entitled to accrue 112 hours (14 days) of sick leave per year of employment. Additional sick leave will be granted in accordance with Article 65 of the Labor Law, or at the discretion of the Board of Directors according to company's procedures.

Sec. 5.3 Sick Leave Accumulation

1. Sick leave may be accumulated up to a maximum of 448 hours (56 days).
2. Employees may choose to use accumulated sick leave in excess of a predetermined number of hours as follows:
 - a. Employees who have more than 224 hours of accumulated sick leave are eligible to receive payment for 100% of their accumulated sick leave hours up to 448 hours at 50% of their average rate of pay for the previous two years.
 - b. Payment will not be made for sick leave if accumulated sick leave is less than 224 hours.
 - c. Employees requesting payment for accumulated sick leave hours as outlined above shall submit their request in writing, with exact hours requested to the Finance Manager in

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November of each year for reimbursement on or about the final pay period in January of the following year.

Sec. 5.4 Claim for Sick Leave

Claim for sick leave in excess of three (3) consecutive days shall be in writing and shall state the dates, the number of days, and the illness, and shall be accompanied by a doctor's certificate verifying the employee's illness and the date thereof.

Abuse of sick leave privileges shall be grounds for discipline as provided in Article 77 of the Jordanian Labor Law.

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ARTICLE 6

ANNUAL LEAVE

Sec. 6.1 Regular Employees

Each regular full-time employee is entitled to fourteen (14) days of annual leave.

After five years of employment this leave shall increase, as per article (61) of the Labor Law, to become twenty-one (21) days per year.

Any agreement with the employee to the contrary shall be void and of no legal effect.

Sec. 6.2 Probationary Period

All new employees on indefinite contracts must satisfactorily complete their probationary period to be entitled to the accrual and use of annual leave.

Sec. 6.3 Scheduling of Annual Leave

Each department head is responsible for scheduling the employees' annual leave in his or her department to avoid undue disruption of department operations. Leave requests shall be submitted for approval by the department head at least two weeks prior to the proposed date of the said annual leave.

This request shall contain the proposed number of days to be used, the proposed commencement date of the leave and the proposed date at which this leave will end, the place(s) at which the employee will be during his leave and the contact address(es) including telephone numbers, if any.

Sec. 6.4 Annual Leave Carryover

Annual leave may be carried forward from December 31st of one year to January 1st of the next year, up to a maximum of one year's entitlement.

Any additional balance of unused annual leave days over two years' entitlement will lapse on January 1st of the following calendar year.

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In cases where Company operations have made it impractical for an employee to use vacation time, the department head with the approval of the General Manager may authorize accruals beyond two years' entitlement.

Sec. 6.5 *Annual Leave Payment At Termination*

Employees will utilize any unused annual leave time up to a maximum of two years' entitlement prior to termination of employment.

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ARTICLE 7 **BEREAVEMENT LEAVE**

Sec. 7.1 Definition

At such time as there is a death in an employee's immediate family, the General Manager is authorized to grant up to a maximum of 4 days of bereavement leave with pay, subject to employee's written request. Immediate family is defined as: spouse, child, parent, brother, sister, grandparents, mother-in-law, father-in-law, brother-in-law and sister-in-law.

Sec. 7.2 Procedure

The employee shall submit a written request containing the following information:

1. Name of deceased
2. Relationship to employee
3. Date of funeral and services
4. Place where funeral or services will be held
5. Date of employee's return to work
6. Contact details.

Such paid leave, if approved, is not to be charged against employee's annual leave. All Bereavement Leaves must have prior approval of the General Manager.

Employee is eligible for Bereavement Leave for miscarriage.

Sec 7.3 Additional Sick Leave

Two (2) days of sick leave time may be used in conjunction with Bereavement Leave. Employee must have the necessary hours accumulated in order to qualify for this additional time off. Prior approval of the General Manager is required.

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ARTICLE 8 LEAVE OF ABSENCE WITHOUT PAY

Sec. 8.1 Company Policy

It is the Company's policy to grant a leave without pay to all employees on a non-discriminatory basis. A leave without pay pursuant to Jordanian Labor Law will be permitted for the reasons as specified below.

Sec. 8.2 Mother's Leave to Care for Her Children

All women are entitled to leave without pay for a maximum period of one year to devote full time to the care of their children.

At the end of one year, a woman on leave may return to work in the same position and at the same pay as she had when she began maternity leave. In the event that the woman works for pay for any other employer during this leave period, her right of return shall be lost.

Sec. 8.3 Couple's Leave Upon Transfer Of The Place Of Work Of One Of Them

In the event of a transfer of an employee's spouse to a job outside of the Aqaba Governorate or to a job outside of the Kingdom, the employee may obtain a one-time leave without pay for a maximum of two years.

Appropriate documentation of the spouse's transfer of employment must be provided prior to the granting of such leave.

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ARTICLE 9 EMPLOYEE’S RESIGNATION

All employees shall provide a minimum of one month’s notice prior to resignation.

An employee who presents a notice of resignation at one month prior to resignation will receive all earnings due, any accrued annual leave and allowable sick time, prior to the time of departure.

An employee who does not present notice of termination at least one month in advance of resignation will receive earnings due, any accrued annual leave and allowable sick time within 72 hours after the date the resignation comes into effect.

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ARTICLE 10 SAFETY COMMITTEE

The Company shall have a Safety Committee, which shall meet on a regular basis, but not less than monthly. The formation of the safety committee shall be governed by Regulation No. 7 of 1998, issued pursuant to Article 85 of the Jordanian Labor Law.

The committee shall have an agenda of safety items to be discussed and shall keep minutes of the action of the Committee.

The Committee shall typically be composed of the Human Resource Manager, Operations Supervisors, Safety Compliance Coordinator, and other members appointed by the General Manager.

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ARTICLE 11 COMPANY VEHICLES AND EQUIPMENT

Sec 11.1 Company Vehicles

Company vehicles are to be used by the authorized employees only, for authorized business only.

Sec 11.2 Company Tools and Equipment

Company tools and equipment are to be used by the authorized employees only, for authorized business only.

Sec 11.3 Company Equipment Use and Care

Employees are under the duty to exercise normal care and proper use of all Company-owned vehicles, tools, and equipment and to return the same to the company upon its first demand with the same condition in which those vehicles, tools, and equipment were when they were handed to the employee.

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ARTICLE 12 HIRING AND PROMOTION

Sec 12.1 Recruitment And Selection

This policy covers recruitment policies for hiring office and operating staff. This policy applies to permanent, part-time and contract workers for existing and new positions.

It is the Company's policy to identify and hire staff at the highest level of competence for office and operating positions. This policy is implemented by devoting as much time and effort as possible to recruitment and selection. The ultimate decision to hire employees rests with the General Manager, in consultation with the Personnel Department; based on recommendations by the appropriate department head or supervisor(s).

For all hires in the permanent and contract categories, responsibility for the paperwork for employment, including an official explanation of benefits and completion of forms, and provision of notice to payroll and benefit administration rests with the Personnel Department.

Sec. 12.2 Vacant Positions

The Company encourages current employees to apply for vacant Company positions for which they are qualified. Promotions and transfers are based on the Department Head's recommendation, work force requirements, performance evaluations, job descriptions and related Company requirements.

Sec. 12.3 Eligibility For Vacant Positions

Regular full-time employees are eligible for promotion or transfer to another position. To be considered for another position, an employee must have satisfactorily completed his/her trial period and possess the qualifications for the vacant position, unless such requirements are waived by the General Manager in the best interests of the Company.

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Regular employees are eligible for promotion or transfer to another position. To be considered for another position, an employee must have satisfactorily completed his/her trial period and possess the qualifications for the vacant position, unless such requirements are waived by the General Manager in the best interests of the Company.

Sec. 12.4 Staffing Levels

It is the Company's policy to maintain an appropriate level of staffing adequate to provide its customers with the highest level of service at the lowest possible cost.

Each year, the General Manager will include in his annual budget the level of staffing required during the upcoming year, based on existing and projected customer demand.

After the Board of Directors approves the annual budget, the General Manager will manage the Company's staff costs within budgeted levels and assumptions. The General Manager shall approve all staff hires above those budgeted.

Sec. 12.5 Position Descriptions

The Company has developed detailed position descriptions for each position on the payroll, along with a salary grade for each position. These descriptions show the position title, grade, responsibilities, and qualifications required for the job and closely tie to our compensation and salary structure.

The qualification requirements listed in the position descriptions help form the criteria against which selection of candidates are made.

Sec. 12.6 Job Advertisements

The Company will advertise its position openings internally in most cases. The Company policy is to promote employees from within the company whenever employees are qualified for an opening.

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If a position has unique qualification requirements that may not be found internally, the Company will also advertise positions externally in local newspapers, other publications and on its website.

Sec 12.7 Contract Employees

Contract personnel may be hired as temporary employees, or as permanent employees when their contract assignments end.

Temporary assignments are made on the recommendation of the appropriate department head or supervisor(s), as approved by the General Manager. The assignment will be for a specific period of time, and the employee will be given all available information about the company's plans and opportunities. If an assignment is for more than six months, the employee will be considered for regular employee status.

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ARTICLE 13 **COMPLAINT PROCEDURES**

The Company recognizes that sometimes situations arise in which an employee feels that he or she has not been treated fairly or in accordance with Company rules and procedures.

For this reason the Company provides its employees with procedures for resolving complaints:

Step 1. An employee should first try to resolve any problem or complaint through his/her supervisor. The employee can not bring up any complaint regarding this step after ten (10) working days following the incident that led to the complaint, or the date on which the employee became aware of the occurrence of such incident whichever is the earlier.

Step 2. When normal communication between an employee and the supervisor is not successful, or when an employee disagrees with the application of Company policies and procedures, the employee may attempt to resolve the problem through his/her head of department within 10 days from the date that the decision of the supervisor is issued. The head of the department shall respond to the employee in writing within five days after meeting with him/her, if the need arises.

Step 3. If the employee is not satisfied with the decision of the head of the department, the employee may, within 5 days from the date at which the decision of the head of the department is issued, submit the problem, in writing, to the General Manager. The written complaint must contain, at the minimum the following items:

1. A description of the problem, and the efforts made to resolve it;
2. The specific policy or procedure that the employee believes that has been violated or misapplied;
3. The date of the circumstances leading to the complaint or the date when the employee first became aware of those circumstances;

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4. The remedy sought by the employee to resolve the complaint.

The General Manager or his or her designee may meet with the parties, whether individually or jointly. The General Manager or the delegate, as the case may be, shall issue a decision in writing within ten days of the date the complaint was submitted to the General Manager's office. The decision issued pursuant to this step shall be final and binding.

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ARTICLE 14 EMPLOYEE MERIT SALARY **ADJUSTMENTS AND EVALUATION PROGRAM**

Sec 14.1 Merit Increase Program (To Be Completed)

Sec 14.2 Annual Employee Evaluation Program (To Be Completed)